
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 10.7.2009

Wall Street Journal: "Fannie and Freddie to Aid Mortgage Banks ... Fannie Mae and Freddie Mac are preparing to introduce a program aimed at helping independent mortgage banks acquire the short-term credit they need to make home loans, according to people familiar with the plans."

Wall Street Journal: "Fed Frets About Commercial Real Estate ... Banks in the U.S. "are slow" to take losses on their commercial real-estate loans being battered by slumping property values and rental payments, according to a Federal Reserve presentation to banking regulators last month."

Wall Street Journal: "House Pushes Ahead on Financial-Rules Overhaul ... The House of Representatives will consider sweeping legislation rewriting the financial sector's rule book in November, House Majority Leader Steny Hoyer (D., Md.), said Tuesday, boosting the chances that Congress will complete a regulatory overhaul this year."

Washington Post: "For Gun-Shy Consumers, Debit Is Replacing Credit ... The recession has cooled the American ardor for living on credit. After years of saying "Charge it," consumers are more often paying with their debit cards instead."

Washington Post: "SEC Probing Biggest Hospital Company ... The Securities and Exchange Commission has opened a probe into whether the largest hospital company in the world, Hospital Corporation of America, violated securities law by manipulating its books and records, according to documents and people familiar with the investigation."

Washington Post: "Dollar's Slide Gives Rise to Calls for New Reserve ... The U.S. dollar continued its six-month slide Tuesday amid a growing international chorus that wants the dollar replaced -- or at least supplemented -- as the world's reserve currency, a move that would end the greenback's six decades of global dominance."

Washington Post: "Trade Groups Seek More Limited Plan to Regulate Derivatives Market ... An alliance of business trade groups is pushing to scale back the Obama administration's efforts to regulate the multitrillion-dollar derivatives industry, arguing that the proposed changes could have consequences well beyond Wall Street."

Washington Post: "Don't Blame China ... The time is here for our nation to actually do something about the recent financial crisis -- that is, do something to prevent it from happening again. But instead, many people are finding it easier to pass the buck than to, say, regulate the financial sector effectively."

Washington Post: "Recovering the New Deal Ideal ... A disquieting phrase has entered our economic lexicon: "new normal." The "new normal" economy that emerges from our recovery, many economists fear, won't look like the old normal, the American economy of the past couple of decades. It will look worse."

NY Times: "Debt-Market Paralysis Deepens Credit Drought ... A year after Washington rescued the big names of American finance, it's still hard to get a loan. But the problem isn't just tight-fisted banks."

NY Times: "Bleeding Holders of Debit Cards Dry ... Last month, some major banks announced minor changes in their overdraft policies. They were hoping to head off new federal regulation of a business that is designed to ambush ordinary people and siphon off as much money as possible."

NY Times: "Partisan Economics in Action ... Successful economic ideas usually end up being taken too far."

USA Today: "Federal Reserve plans to rein in banks' risky pay packages ... A few years ago, rank-and-file loan officers were living it up, cruising around Houston in BMWs and Hummers and partying into the wee hours."

USA Today: "U.S. lawmakers split on investor-related proposals ... Regulators and investor advocates voiced support Tuesday for a proposal that addresses consumer protection and would bring investment funds under government supervision as part of Congress' efforts to revamp the U.S. financial rule book."

USA Today: "Dollar takes a drubbing, gold surges ... An interest rate rise in Australia, a disputed British newspaper story and worries about ballooning U.S. debt combined Tuesday to hammer the dollar."

USA Today: "U.S. court grants Fed stay in bailout disclosure case ... A U.S. appeals court Tuesday granted the Federal Reserve's request for a stay of a ruling that would have forced the U.S. central bank to release the names of banks that participated in its emergency lending programs."

USA Today: "Our view on consumer protection: How the banking lobby tries to undermine loan reform ... In Washington, it's always easier to kill a new idea than to promote one. And that's what the banking industry is counting on as it tries to

murder, or at least maim, a plan to revolutionize the way consumer products - from credit cards to payday loans to mortgages - are overseen."

USA Today: "Opposing view: Local banks serve consumers ... There is no doubt that too many Americans were deceived and abused as part of the frenzied home buying and lending spree during the mortgage market bubble that, in turn, led to the greatest financial markets crisis since the Great Depression. And no doubt policymakers should establish tough measures to prevent unregulated and unscrupulous non-bank financial services firms - and the giant Wall Street firms that enabled them - from ever again taking advantage of consumers."

The Washington Times: "Reverse mortgages seen as next subprime crisis ... Reverse mortgages could be the next subprime crisis."

Reuters: "SEC: no more SarbOx delays for small firms ... U.S. small businesses will no longer get a reprieve from complying with an auditing provision of the Sarbanes Oxley corporate reform law, the Securities and Exchange Commission said on Friday."

Reuters: "Geithner says Americans will have to save more ... Americans will have to save more in the future, transforming the global economy, and Europeans and Japanese must work to boost domestic demand, U.S. Treasury Secretary Timothy Geithner was quoted as saying on Wednesday."

Bloomberg: "Fed Should Tighten Rates Sooner Rather Than Later, Hoenig Says ... Federal Reserve Bank of Kansas City President Thomas Hoenig said the central bank should start raising interest rates "sooner rather than later," and such tightening wouldn't derail the U.S. economic recovery."

The Hill: "W.H. pushes for new finance regulations ... The Obama administration is mounting a full-court press on Capitol Hill this week to rally support behind new financial regulations."